

March 22, 2010

Honorable James L. Oberstar Chairman Committee on Transportation and Infrastructure U.S. House of Representatives Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4786, an act to provide authority to compensate federal employees for the two-day period in which authority to make expenditures from the Highway Trust Fund lapsed, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Sarah Puro who can be reached at 226-2860.

Sincerely,

Douglas W. Elmendorf

Enclosure

cc: Honorable John L. Mica Ranking Republican Member



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 22, 2010

H.R. 4786

An act to provide authority to compensate federal employees for the two-day period in which authority to make expenditures from the Highway Trust Fund lapsed, and for other purposes

As passed by the House of Representatives on March 10, 2010

H.R. 4786 would require the Department of Transportation (DOT) to compensate employees who were furloughed on the first two days of March 2010. During that time, DOT did not have authority to make expenditures from the Highway Trust Fund. The salaries of many DOT employees are paid from that fund. CBO estimates that enacting H.R. 4786 would have no significant effect on the federal budget. The bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures would not apply.

H.R. 4786 requires that DOT pay furloughed employees using funds that were previously provided for DOT activities. The act also requires that those funds be subject to the limitation on obligations contained in the Consolidated Appropriations Act, 2010 (Public Law 111-117). According to DOT, the salaries of furloughed employees would total about \$1 million. In the absence of the authority to compensate furloughed employees, CBO expects that those funds would be used on other administrative costs.

H.R. 4786 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local or tribal governments.

The CBO staff contact for this estimate is Sarah Puro. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.